Presentation of the Budget Estimate for 1119

Mr. P. V. Raphael *(Comptroller of Finance and Accounts)* : Sir, A comp'ete year is just passing since we met last to discuss our budget estimates for the current year and to-day we are here again to take stock of the present situation and to consider the future operations for meeting and successfully overcoming the unprecedented crises which now confronts the State and its people. Notwithstanding the hopeful signs of Victory which we now witness penetrating through the dark clouds that enshrouded us hitherto, it cannot be denied that the State along with many parts of the world is passing through the greatest difficulties for want of adequate essentials of life—I mean food and clothing—though we have been fortunately spared the other horrors of war. In the words of Sir Jeremy Raisman, "the broad picture which confronts us today is one of omnipresent and cumulative shortage;.....Occupation by the enemy of neighbouring territory has robbed us of part of our food supplies and increased the strain on communications. The drastic cutting off of our imports has reduced our supplies and helped the profiteer to exploit the consumer." Shortage of food and clothing and the soaring rise in prices are thus not peculiar to us and we can do very little ourselves for the improvement of the situation. The best efforts are still being made to grow more food wherever possible and at whatever cost. Though this has helped us and may help us to some extent, scarcity of rice is still keenly felt in the land despite the imports of rice and other food stuffs from British Provinces. Government sorely feel that they have not been able to provide sufficient food grains to the people notwithstanding their most strenuous endeavours.

But even the darkest clouds have a silver lining. The rising prices of agricultural products have certainly diminished the real burden of agricultural indebtedness, a cause to which many of the major evils besetting our cultivators has very often been traced. The industrial worker and the manual labourer are enjoying full employment at increasing wages both in the State and outside and if he only exercises sufficient self-control and abstains from squandering away his earnings on superfluities or luxuries a useful fund can be built up by him for any rainy day.

It is thus in an intriguing situation that we are meeting now; while the agriculturists, the merchants and the labouring classes, practically all except the salaried man, have all financially benefited by a rise in their income they cannot at the same time obtain adequately the essential requirements of life even at high prices. With the food grains imported from outside supplemented by our own products we are just tiding over the crisis and it is hoped that the danger point will soon be passed over successfully.

I am alluding to these factors as they form the back ground on which our estimates for the coming year are based to a considerable extent and to make clear at the very outset that our present difficulties are in no way worse but in some measure easier than those of other peoples in a world at war. Undoubtedly the difficulties of the present moment give us no room for complacency, but at the same time we should not give ourselves to dispondency but strive our best to manfully solve our problems to the best of our ability and to this end we earnestly look forward to the hearty co-operation of this House which has always been available to us in abundance.

ACTUALS OF 1117

With these preliminary observations I shall now touch briefly, according to the usual practice, on the results of the financial year 1117. In our revised estimates for 1117 we anticipated a revenue of Rs. 127·56 lakhs and an expenditure charged to revenue of Rs. 119·58 lakhs leaving a surplus of Rs. 7·98 lakhs. Actually our revenue mounted up to Rs. 132·75 lakhs which was in excess of our anticipations by Rs. 5·19 lakhs while on the expendiiure side there were savings to the extent of Rs. 5·58 lakhs. The actual transactions of the year accordingly resulted in a surplus of Rs. 18·75 lakhs out of which a sum of Rs. 15 lakhs has been transferred to Revenue Reserve Fund.

Compared with the budget, the revenue receipts showed an increase of Rs. 19·27 lakhs mostly brought about by unforseeable increases under such heads as Forests and Tramway, Railway and Income-tax, due to war supplies, war traffic and excess profits tax, etc. The revenue expenditure for the year amounted to Rs.114·00 lakhs as against Rs. 109·97 lakhs anticipated in the budget thus resulting in an excess expenditure of Rs. 5.03 lakhs. The excess was the outcome of an increase in expenditure amounting to Rs. 6·87 lakhs under certain heads as Miscellaneous (Rs. 4·17 lakhs), Railway (Rs. 1·88 lakhs, etc.) partly counterbalanced by savings amounting to Rs. 1·84 lakhs under a few other heads as Public Works, General Administration, etc. I do not propose to go into details as they have been explained fully in the Memorandum with you.

The State had at the end of the year a net asset of Rs. 131·81 lakhs over liabilities excluding the transfer made to Revenue Reserve Fund. The investments on capital outlay such as the

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